



# State of Utah

School and Institutional  
TRUST LANDS ADMINISTRATION

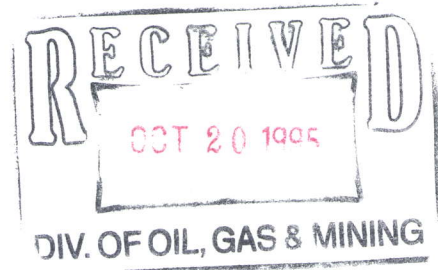
Michael O. Leavitt  
Governor

Scott Hirschi  
Director

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S/015/066  
CHIMNEY ROCK II

October 18, 1995



CERTIFIED MAIL NO. P 879 602 855

Chimney Rock Resources Inc.  
376 So. Giraud Ave.  
Price, UT 84501

RE: ML 45544-BSLS; S/049/019, Utah Co., and  
ML 45089-BSLS; S/015/066, Emery Co.

ATTN: Stephen Powell

Dear Lessee:

On July 20, 1994, you wrote me a letter advising that you were not mining upon the lands within the above numbered mineral leases. On October 12, 1995, I visited the lands and found that test pits or trenches have been excavated upon both leaseholds. A small but noticeable test pit is present upon ML 45544. The disturbance upon ML 45089 is especially concerning with extensive trenching covering over one acre of surface. The Trust Lands Administration has not authorized the commencement of excavations upon either leaseholds.

Please write to me and provide an explanation of the above described excavations and of your plans to immediately reclaim all surface disturbances. If I do not hear from you within the next 30 days I will provide you with additional instructions necessary to maintain these leases in good standing.

Sincerely,

JOHN T. BLAKE  
MINERAL RESOURCES SPECIALIST

JTB/tdw

cc: Tony Gallegos

